

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA
DIRECTOR

Deputy Directors
MICHAEL D. FORAMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

Amendment No. 9 to Lease No. DOT-A-92-0018
Restaurant and Lounge Concession Lease
Host International Inc., Honolulu International Airport

OAHU

PURPOSE:

To amend the existing Lease at the Honolulu International Airport for allowance of additional floor space to facilitate the food and beverage operations. Under Article III of the Lease, the specific area assigned or provided for the concession activity may be changed at the discretion of the Director of Transportation.

APPLICANT:

Host International, Inc. whose business address is 6905 Rockledge Drive, Bethesda, Maryland 20817.

LEGAL REFERENCE:

Chapter 102, and Section 261-7, Hawaii Revised Statutes, as amended. Act 2001 Session Laws of Hawaii 2004.

LOCATION AND TAX MAP KEY:

Honolulu International Airport; 1st Division -1-1-03: Portion of 1 (Honolulu)

ZONING:

State Land Use District:	Urban
County of Honolulu	Industrial (I-2)

LAND TITLE STATUS:

Section 5(b) lands of the Hawaii Admissions Act: Ceded
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes ___ No X

PREMISES:

Additional Seating Space: Building 360, Space No. 218-B, containing an area of approximately 754 square feet as shown on Exhibit B-28, dated April 2008

TERM:

To run for the balance of the term of the existing lease that expires on April 30, 2014.

IMPROVEMENTS:

Applicant will construct and install all improvements to Building 360, Space No. 218-B at it sole cost.

RENTAL:

No additional square footage floor rent will be charged. All gross receipts generated from the additional space will be included with the gross receipts of the concession. The concessionaire pays the greater of the minimum annual guaranteed rent or a percentage of gross receipts as the concession fee. The percentage rent rates for the concession are eight percent (8%) of gross receipts from food and thirteen percent (13%) of gross receipts from alcohol.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation dated November 14, 2000, as approved by the Environmental Quality Council. Exemption Class #3 covers construction and location of single, new, small, facilities or structures and the alteration and modification of same and installation of new, small, equipment and facilities and the alteration and modification of same including, but not limited to (e) 2.accessory or appurtenant structures involving the

specialty storage facilities such as paint sheds and structures not exceeding 1,000 square feet on the Department of Transportation property.

REMARKS:

The DOT and the Concessionaire entered into that certain concession lease (Lease No. DOT-A-92-0018) dated March 2, 1993, for the Restaurant and Lounge Concession at the Honolulu International Airport (Airport).

Act 128, Session Laws of Hawaii 2006, allowed the State to amend concession leases to extend the term of the lease in return for construction of improvements by the Lessee. Any extension of the term of the lease is limited to no more than 40% of the original term. The Act prohibited any reduction in rent, but did allow inclusion of language that had been placed in other concession agreements, notably the economic emergency and force majeure language that changed in the aftermath of the events of September 11, 2001.


RECOMMENDATION:

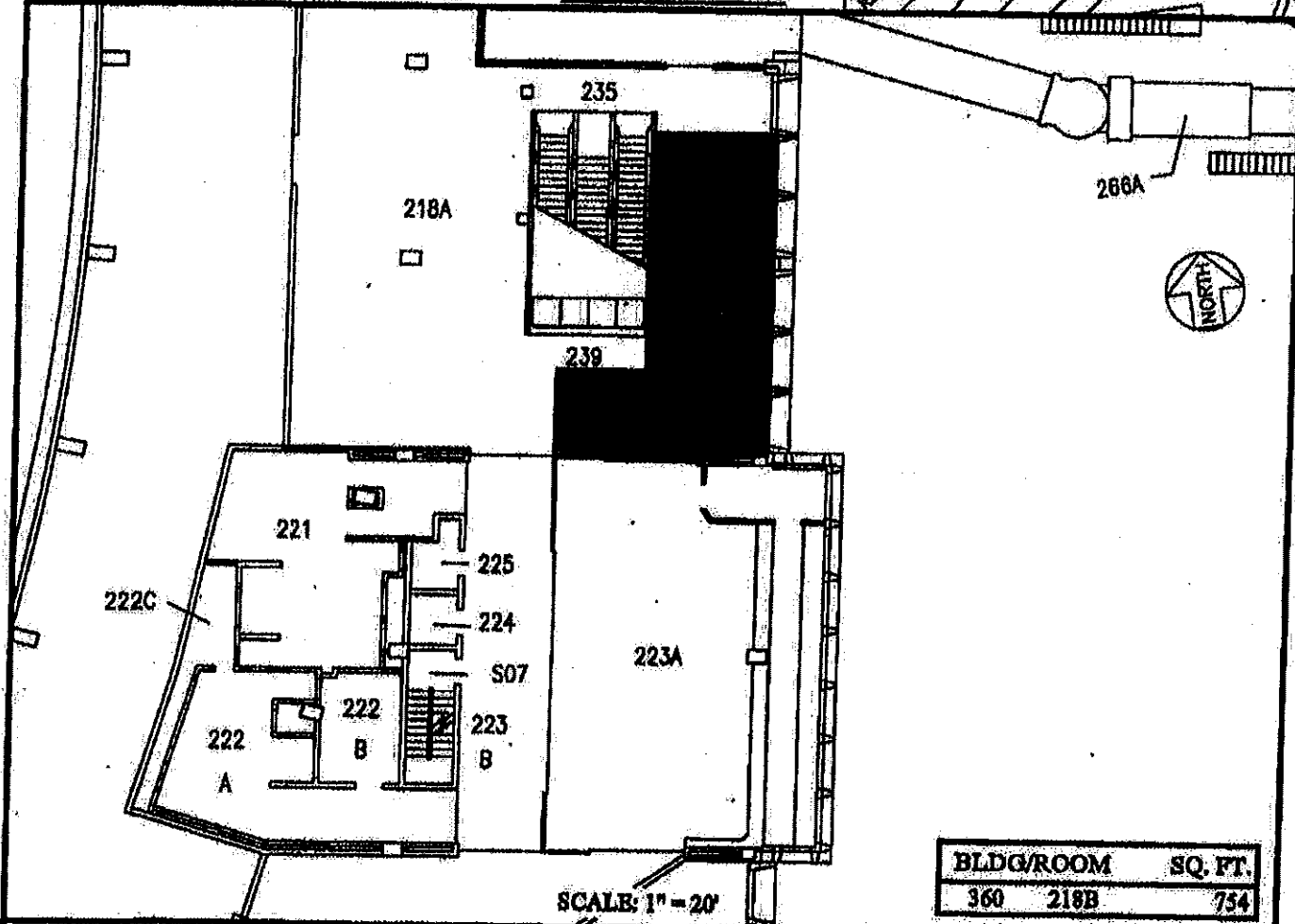
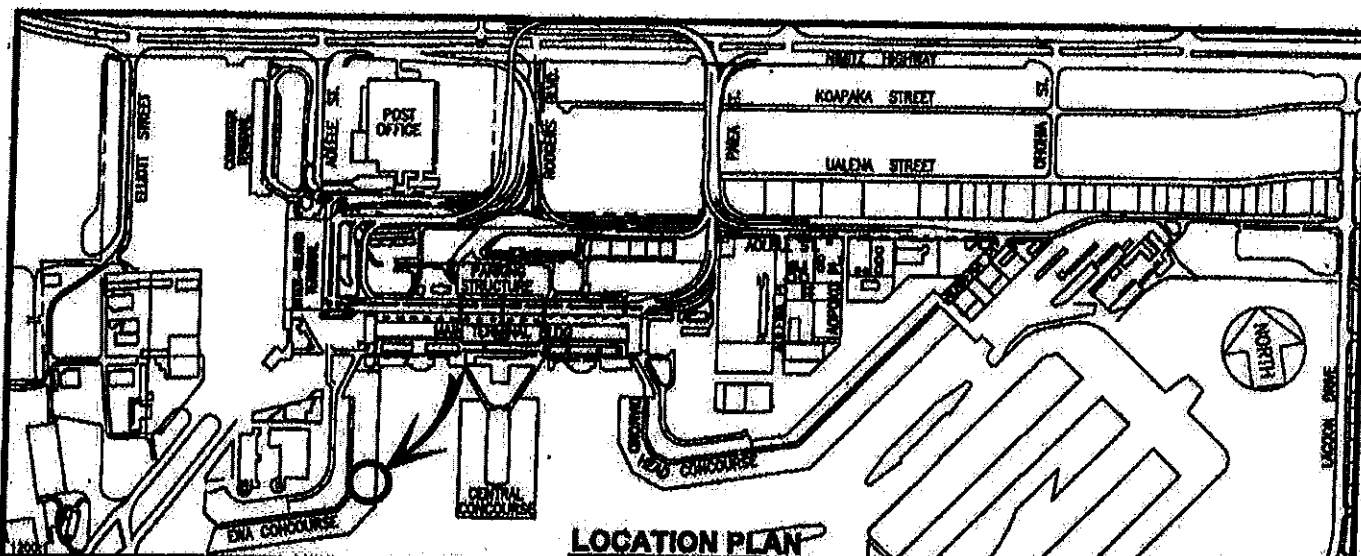
The Board authorizes 1) the Department of Transportation to amend Article III. Premises of the subject Lease as herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

Francis Paul Keono
for BRENNON T. MORIOKA, Ph.D, P.E.
Director of Transportation

APPROVED FOR SUBMITTAL:


LAURA H. THIELEN
Chairperson




BLDG/ROOM	SQ. FT.
360 218B	754

RP-Lease No. DOT-A-92-18

DATE : APRIL 2008

EXHIBIT: **B-28**

 <p>Airports Division</p>	<p>HOST INTERNATIONAL, INC.</p>	<p>BUILDING 360 EWA CONCOURSE SECOND LEVEL</p>	<p>360218B PLAT F2</p>
--	-------------------------------------	--	----------------------------

HONOLULU INTERNATIONAL AIRPORT

H:\AIRPORTS\HNL_HONOLULU\CAD\PLAN\HNL_360218B-02.DWG

LAND/TRANS. DIV.
DEPARTMENT OF
ATTORNEY GENERAL

2008 MAY 12 A 8:35

LINDA LINGLE
GOVERNOR



MARK J. BENNETT
ATTORNEY GENERAL

LISA M. GINOZA
FIRST DEPUTY ATTORNEY GENERAL

STATE OF HAWAII
DEPARTMENT OF THE ATTORNEY GENERAL
LAND TRANSPORTATION DIVISION
ROOM 300, KEKUAHAKA BUILDING
465 SOUTH KING STREET
HONOLULU, HAWAII 96813

Date: April 30, 2008

CEDED LANDS FACTS

CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGE
ATTORNEY WORK PRODUCT

TO: Mark J. Bennett
Attorney General

THRU: Sonia Faust *SS*
Supervising Deputy Attorney General

FROM: Allan S. Chock *AS Chock*
Deputy Attorney General
Land/Transportation Division

SUBJECT:

- () Request for Approval to Process Dispositions of Ceded Lands which have previously received prior Board of Land and Natural Resources approval.
- (X) Request for Approval of Proposed Dispositions which have not yet received approval by the Board of Land and Natural Resources.

Type of Document	AMENDMENT NO. 9 TO LEASE NO. DOT-A-92-0018
Location of Land	HONOLULU INTERNATIONAL AIRPORT - LANDS UNDER CONTROL OF DOT AIRPORTS
Name of Applicant(s)	HOST INTERNATIONAL, INC.
Duration of land conveyance	REMAINDER OF THE LEASE TERM RUNNING TO APRIL 30, 2012
Matter ID No.	08-08504
Land Document No.	None

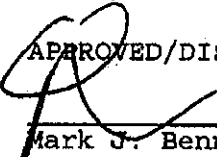
SPECIAL COMMENTS: This is a proposed amendment to an existing lease which would lease to the applicant, Host International, Inc.,

approximately 754 square feet, identified as Building 360, Space No. 218-B, for the development and operation of food and beverage sales to meet the needs of the travelling public. This particular area of HIA is on ceded land.

The minimum annual guaranteed rental provisions of the Lease shall remain unchanged.

A draft of the proposed submittal to the Land Board for its consideration is attached.

APPROVED/DISAPPROVED:


Mark J. Bennett
Attorney General

Dated MAY -9 2008

RECOMMENDATION:

approve. just an amendment
of a base S-2.